

RECORDATION NO. 16686 FILED

JAN 13 '99

2-30 PM

ALVORD AND ALVORD

ATTORNEYS AT LAW

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WASHINGTON, D.C.

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ELIAS C. ALVORD (1942)
ELISWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

January 13, 1999

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams.

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Amendment Agreement, dated as of August 3, 1998, a secondary document as defined in the Board's Rules for the Recordation of Documents

The enclosed document relates to Security Agreement which was previously filed with the Commission/Board under Recordation Number 16686.

The names and addresses of the parties to the enclosed document are:

Debtor Consolidated Rail Corporation
2001 Market Street
Philadelphia, PA 19101

Secured Party. Sun Life Assurance Company of Canada
One Sun Life Executive Park
Wellesley Hills, MA 02181

A description of the railroad equipment covered by the enclosed document is

This transaction does not involve any new or additional railroad equipment.

Mr. Vernon A. Williams
January 13, 1999
Page 2

Also enclosed is a check in the amount of \$26 00 payable to the order of the
Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W Alvord

RWA/bg
Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

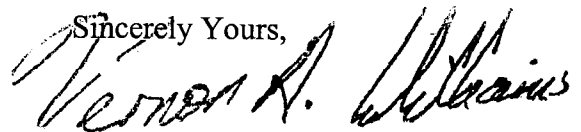
OFFICE OF THE SECRETARY

Robert W. Alvord
Alvord and Alvord
918 Sixteenth St., NW., Ste. 200
Washington, DC., 20006-2973

Dear Sir:

The enclosed documents (s) was recorded pursuant to the provisions of 49 U.S.C.
11301 and CFR 1177.3 (c), on 1/13/99 at 2:30 PM, and
assigned recordation numbers (s): 5403-E, 5510-J, 10877-F, 11197-E, 14327-D,
14867-E, 16686-C and 18317-A.

Sincerely Yours,



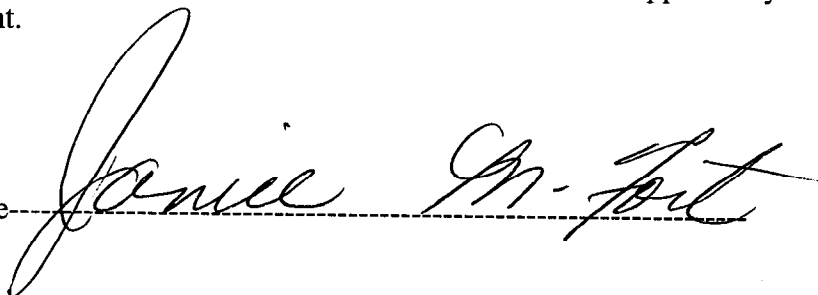
Vernon A. Williams

Enclosure(s)

208.00

\$_____ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature



[PMGA]

RECORDATION NO. 16686-C FILED

JAN 13 '99

2-30 PM

AMENDMENT AGREEMENT

in respect of

Chattel Mortgage and Security Agreement

AMENDMENT AGREEMENT (this "Amendment Agreement") dated as of August 3, 1998 among CONSOLIDATED RAIL CORPORATION, a Pennsylvania corporation ("Conrail"), and SUN LIFE ASSURANCE COMPANY OF CANADA (U.S.), a Delaware corporation (the "Secured Party").

RECITALS

WHEREAS, MONONGAHELA RAILWAY COMPANY (the "Railroad") and the Secured Party have entered into the Chattel Mortgage and Security Agreement dated as of December 1, 1989 (the "Chattel Mortgage and Security Agreement");

WHEREAS, the Railroad and the Secured Party have entered into the Finance Agreement dated as of December 1, 1989 (the "Finance Agreement");

WHEREAS, the Railroad, Conrail and the Secured Party have entered into the Guarantee Agreement dated as of January 21, 1991, as amended by Amendment No. 1 dated as of August 31, 1992 and Amendment No. 2 dated as of May 16, 1994 (as amended, the "Guarantee Agreement"); and

WHEREAS, the Railroad merged with Conrail on May 1, 1993, and, in accordance with Section 5.5 of the Chattel Mortgage and Security Agreement, Conrail has expressly assumed the obligations of the Railroad under the Chattel Mortgage and Security Agreement and the Finance Agreement.

NOW, THEREFORE, in consideration of the agreements contained herein and for other consideration, the adequacy and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

AMENDMENTS

SECTION 1.1. Section 5.5 of the Chattel Mortgage and Security Agreement is hereby amended to read as follows:

“SECTION 5.5 Merger. So long as any amount under the Notes shall remain unpaid, the Railroad shall not consolidate with or merge into any other corporation or convey, transfer, assign, or lease substantially all of its assets to any entity, unless:

- (a) such successor corporation or entity shall expressly assume the obligations of the Railroad hereunder and under the Finance Agreement;
- (b) the protection of section 1168 of the Bankruptcy Code, or any successor statute providing protection for lessors and secured parties of equipment in railroad reorganization, shall continue to be available to the Secured Party in respect of the Equipment after such consolidation, merger, or transfer;
- (c) all of the capital stock of such successor corporation or the ownership interests of such transferee entity shall be held by CSX Transportation Corporation, Consolidated Rail Corporation, or Pittsburgh and Lake Erie Railroad Company, or the successors of any of them; and
- (d) after such consolidation, merger, or transfer, no Event of Default shall have occurred hereunder;

provided, however, that any Excluded Conveyance (as defined below) may be made without compliance with the foregoing clauses (a) through (d). “Excluded Conveyance” means any conveyance, transfer, lease or sublease described in or contemplated by the transaction agreement dated as of June 10, 1997 among Consolidated Rail Corporation, Conrail Inc., CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, Norfolk Southern Railway Company and CRR Holdings LLC, as the same may be amended, modified or supplemented from time to time.”

ARTICLE II

MISCELLANEOUS

SECTION 2.1. Capitalized terms used but not defined herein have the respective meanings set forth in Appendix A to the Lease Agreement.

SECTION 2.2. Except as amended hereby, the Chattel Mortgage and Security Agreement, the Finance Agreement and the Guarantee Agreement are in all respects ratified and confirmed, and all of the terms, provisions and conditions thereof shall be and remain in full force and effect, provided that no such term, provision or condition shall be read or interpreted so as to conflict with or prohibit the making of any conveyance, transfer, lease or sublease described in or contemplated by the transaction agreement dated as of June 10, 1997 among Consolidated Rail Corporation, Conrail Inc., CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, Norfolk Southern Railway Company and CRR Holdings LLC, as the same may be amended, modified or supplemented from time to time.

SECTION 2.3. If any provision of this Amendment Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 2.4. This Amendment Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania.

SECTION 2.5 This Amendment Agreement shall be effective only upon the execution hereof by all of the parties hereto.

SECTION 2.6 This Amendment Agreement may be executed in any number of counterparts, each of which shall be an original but such counterparts shall together constitute one and the same instrument. Delivery by telecopier of an executed signature page hereto shall be effective as delivery of a manually executed counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed as of the day and year first above written.

CONSOLIDATED RAIL CORPORATION

By: Thomas J. McFadden
Name: Thomas J. McFadden
Title: Treasurer

SUN LIFE ASSURANCE COMPANY OF CANADA (U.S.)

By: _____
Name:
Title:

STATE OF Pennsylvania :)
COUNTY OF Philadelphia :)

SS..

On this, the 2nd day of October, 1998, before me, a notary public, personally appeared Thomas J. McFadden, to me known, who, being by me duly sworn, did depose and say that he/she is the Treasurer of Consolidated Rail Corporation, one of the parties described in and which executed the foregoing instrument; that said instrument was executed on October 2, 1998 on behalf of said party by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said party.

Sworn to before me this
2nd day of October, 1998.

[Notarial Seal]

Suzanne J. Rossomando
NOTARY PUBLIC
MY COMMISSION EXPIRES ON
NOTARIAL SEAL
Suzanne J. Rossomando, Notary Public
City of Philadelphia, Phila County
My Commission Expires June 28, 1999


The Monongahela Railway Company
(Consolidated Rail Corporation - Guarantor)
9.24% Secured Notes due December 28, 2001
Amendment Agreement dated as of August 3, 1998

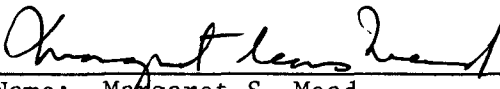
IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed as of the day and year first above written

CONSOLIDATED RAIL CORPORATION

By: _____
Name:
Title:

SUN LIFE ASSURANCE COMPANY OF CANADA (U.S.)


By:  _____
Name: John N. Whelihan
Title: Vice President, U.S. Private Placements -
for President

By:  _____
Name: Margaret S. Mead
Title: Assistant Vice President and Counsel -
for Secretary

State of Massachusetts)
County of Norfolk)

On this 21st day of August, 1998 before me appeared John N Whelihan and Margaret S Mead both to me known to be acting for the President and Secretary respectively of the Sun Life Assurance Company of Canada, duly authorized to execute the annexed instrument, on behalf of Sun Life Assurance Company of Canada (U S) and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposed therein mentioned, and on oath stated that (s) he was authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first written above



Suzanne L. Collazzo
Suzanne L. Collazzo
NOTARY PUBLIC
My commission expires Mar. 3, 2005